CHARITY REGISTRATION NUMBER 1131906
COMPANY REGISTRATION NUMBER 02741421

MANOR DEVELOPMENT COMPANY LIMITED

UNAUDITED FINANCIAL STATMENTS

FOR THE YEAR ENDED 31 MARCH 2016

FRIDAY
A5MF27QA
A21 23/12/2016 #293
COMPANIES HOUSE

UHY Hacker Young
Chartered Accountants

MANOR DEVELOPMENT COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs N Armitage Mrs C M Dean Mr R S Foster Mrs M Y Wilkinson
Chief Executive Officer	Mrs R Dowling
Secretary	Mrs C M Dean
Charity number	1131906
Company number	02741421
Registered office	Alison Business Centre 40 Alison Crescent Manor Sheffield S2 1AS
Independent examiner	R J Givans BA FCA UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF
Bankers	Co-operative Bank plc P.O. Box 250 Skelmersdale WN8 6WT

MANOR DEVELOPMENT COMPANY LIMITED

CONTENTS

	Page
Trustees' report	1 – 4
Independent examiner's report	5 – 6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the accounts	10 – 21

MANOR DEVELOPMENT COMPANY LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The trustees present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities
The charity's objects, as set out in the constitution, are the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation, and in particular the Manor Estate in the City of Sheffield area by the following means:

- the relief of poverty
- the advancement of education
- the relief of unemployment
- the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances, have need of such facilities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and have paid due regard to the Charity Commission guidance on public benefit

We have continued to work within our Charitable Objectives and much progress has been made with regards to our long term strategic plan, including:

- Commissioning "Manor Works", the third phase of the Alison Business Centre - which is of different style and quality to Phases 1 and 2 - making an appropriate offer to the market segment that it represents, and starting to secure licensees for both offices and workshops in line with the business plan previously agreed with potential funders.
- Expanding and developing our ability to support local businesses – especially start-up companies – both through the provision of much enhanced new units and by improving our offer of business services to licensees and virtual office users.
- Providing a dedicated high quality community space able to host training, recreational and other activities for local people, and continuing to act as a "good neighbour" to the local community.
- Continuing to deploy staff resources to effectively manage the whole complex within realistically achievable revenue streams which can be maintained over the long term.
- Supporting those individuals seeking to become self-employed, as well as increasing employment and training opportunities available in our area of interest.
- Where appropriate, championing the local community, and giving them an effective voice across a range of issues.

Achievements and performance

Commissioning Manor Works
This RIBA award winning building was handed over in November 2014, and is serving as a driver for increased business and community activity within the Manor area of Sheffield. It is not only a vital hub for formal community activity, but also provides an attractive new outdoor environment (including external seating) for informal leisure and recreational use.

Manor Works extends the available workspace at the centre, providing a further 16,790 square feet of space, including 10,240 square feet of individual offices and workshops, set within a stylish atrium suitable for informal business activities and with formal meeting rooms and a hot desk facility also available. As at 31 March 2016, 50 % of the available space was let, with new licensees steadily taking up occupation.

All tenants benefit from full reception, post and ancillary services provided by the Company, and the training, meeting and atrium spaces are all available to and increasingly used by the local community for a range of different activities.

Angleton Meeting Rooms
Angleton Meeting Rooms is partly financed and largely managed by Manor Development Company Limited, and is a key element of our "good neighbour" policy in respect of the local community. It is now a very well-established centre for out of school and holiday activities for local youngsters mostly, although not exclusively, the eight-to-thirteen age group. However, it is also a useful and self-contained venue for some adult training, social and hobby type events - some one-off, others regular and programmed. Indeed, the ever growing use of the space is evidencing the need for this type of local informal resource that is easily accessible at all times.

Lower Manor Community Steering Group
Consisting of residents from the local community the group acts as the voice for those living close to the facility. It has been supported by Manor Development Company in providing a range of indoor and outdoor social, educational and other activities throughout the year, increasingly working from the new facilities at Manor Works. Volunteers have successfully provided a range of activities and learning opportunities to the local community throughout the period. Their breakfast and browse initiative where residents could access e-based support and services at the same time as taking advantage of tasty treats in the breakfast club has become a popular venue.

Other "good neighbour" activities
As one of the oldest community-owned third sector organisations on the Manor Estate the Company continues to maintain links and work in co-operation with a network of local organisations – including Manor Assembly, Manor and Castle Development Trust, and the Manor Community Childcare Centre; to support key projects, especially those targeting local young people like MASKK; and to maintain links with service providers including Places for People and ACIS (the local RSL's), and the Community Youth Team, who are as it happens Phase 2 licensees.

The Company would as always like to formally thank all those who have provided funding and continuing support including Sheffield City Council and the Social Investment Board as well as all those who give effortlessly throughout the year of their time and donations for those who the organisation supports.

MDC Limited has held many activities to support other worthwhile causes such as Macmillan nurses, Sheffield Children's Hospital and others and has done this with the support of its tenant businesses.

It sends its thanks to all those who have supported its activities during the past year and special thanks to the residents and volunteers who have played a vital role in developing its involvement locally and to local businesses who support and use the services on offer.

Financial review
The Statement of Financial Activities shows a net decrease in funds of £27,126 (2015: £78,272). The charity has general unrestricted reserves of £2,863,638, compared with £2,890,764 the previous year.

We would like to thank all staff and partners for their commitment towards making Manor and Castle a better place to live and work. Manor Development Company relies on the support it gets both from its staff and volunteers and from its partners in order to achieve its objectives.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained and applied towards the charity's objectives and activities. As charitable status was only achieved part way through the financial year to 31 March 2010, a formal reserves policy has not yet been established, but the trustees have identified that reserves are currently at too low a level and aim to increase the level of reserves currently held.

Asset cover for funds
It is a condition of the funding for Phase III that the Phase II buildings (currently included in the balance sheet of the company's wholly owned subsidiary Manor Development Company (Alison Centre) Limited) are transferred to this charity. The transfer has been subject to the delays caused by issues with land leases.

Plans for future periods
In furtherance of its support to local employment and community participation, Manor Development Company Limited has progressed its strategic plan to build a new business and community resource centre.

Subsidiary and other controlled companies
The charitable company has control of 100% of the assets and trade of Manor Development Company (Alison Centre) Limited (company number 03581273), a company limited by guarantee. Manor Development Company Limited are able to appoint and remove directors in this company. Its incoming resources for the year were £325,513 (2015: £243,369) and its total resources expended were £297,105 (2015: £292,162), leaving a profit for the year of £28,408 (2015: loss for the year of £48,793). At 31 March 2016 the capital and reserves of Manor Development Company (Alison Centre) Limited were £(37,420) (2015: £(65,828)).

Structure, governance and management
Manor Development Company was registered as a company limited by guarantee in 1992 and gained charitable status as of September 2009. The constitution is set out in its governing document, which was amended in February 2009.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs N Armitage
Mrs C M Dean
Mrs M Y Wilkinson
Mr R S Foster

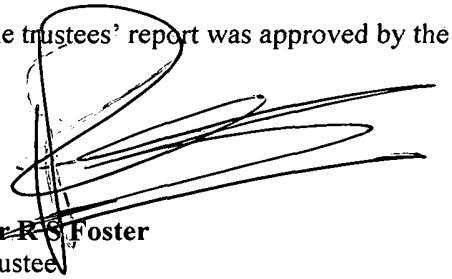
The charity is registered with the Registrar of Charities, number 1131906. The constitution provides for a majority of 55% of nominated member trustees who live or work in the geographical area of benefit, i.e. the Manor Estate, Sheffield.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company is the sole member of Manor Development Company (Alison Centre) Limited which is also limited by guarantee.

The trustees have assessed the major risks to which the charity is exposed, including operational and business risks, and are satisfied that systems are in place to mitigate exposure to those risks. It regularly reviews all its policies in order to ensure that they are relevant and effective.

The trustees' report was approved by the Board of Trustees.



Mr R S Foster
Trustee

Dated: 21 December 2016

UHY Hacker Young
Chartered Accountants

6 Broadfield Court
Broadfield Way
Sheffield
S8 0XF

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MANOR DEVELOPMENT COMPANY LIMITED

I report on the accounts of the charitable company for the year ended 31 March 2016, which are set out on pages 7 to 21.

Respective responsibilities of trustees and examiner
The trustees, who are also the directors of Manor Development Company Limited for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:
(i) examine the accounts under section 145 of the 2011 Act;
(ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
(iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MANOR DEVELOPMENT COMPANY LIMITED (CONTINUED)

Independent examiner's qualified statement
Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:
(a) which gives me reasonable cause to believe that in any material respect the requirements:
(i) to keep accounting records in accordance with section 386 of the Companies Act; and
(ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;
have not been met.

Disclosure has been made in note 1.3 to the accounts concerning the charity's ability to continue as a going concern. Whilst re-financing discussions are in place, there is some doubt over whether the charity has sufficient working capital over the next 12 months. The charity has net current liabilities of £839,840. These conditions, along with the matters explained in note 1.3 to the accounts, indicate the existence of a material uncertainty which may cast significant doubt about the charity's ability to continue as a going concern. The accounts do not include the adjustments that would result if the charity was unable to continue as a going concern.

No other matter has come to my attention in connection with my examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Givans BA FCA
UHY Hacker Young

Chartered Accountants

Dated: 21 December 2016

MANOR DEVELOPMENT COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
Income from:			
Grants and donations	3	-	968
Charitable activities	4	159,012	166,572
Total income		159,012	167,540
Expenditure on:			
Charitable activities	5	186,138	245,812
Total resources expended		186,138	245,812
Net (outgoing)/incoming resources before transfers		(27,126)	(78,272)
Gross transfers between funds		-	-
Net expenditure for the year/ Net movement in funds		(27,126)	(78,272)
Fund balances at 1 April 2015			
As originally reported		2,890,764	2,857,655
Prior year adjustment		-	111,381
As restated		2,890,764	2,969,036
Fund balances at 31 March 2016		2,863,638	2,890,764

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006 and has been prepared on the basis that all operations are continuing.

MANOR DEVELOPMENT COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	9		3,703,478		3,745,661
Current assets					
Debtors	12	87,170		202,683	
Cash at bank and in hand		18,075		1,666	
		105,245		204,349	
Creditors: amounts falling due within one year	13	(945,085)		(1,059,246)	
Net current (liabilities)			(839,840)		(854,897)
Total assets less current liabilities			2,863,638		2,890,764
Income funds					
Unrestricted funds			2,863,638		2,890,764
			2,863,638		2,890,764

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2016. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21 December 2016 and are signed on its behalf by:

Mr R S Foster
Trustee

Company Registration No. 02741421

MANOR DEVELOPMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

		2016		2015	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**19**		18,028		(24,978)
Investing activities					
Purchase of tangible fixed assets		(1,619)		-	
Net cash (used in)/generated from investing activities			(1,619)		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			16,409		(24,978)
Cash and cash equivalents at beginning of year			1,666		26,644
Cash and cash equivalents at end of year			18,075		1,666

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information
Manor Development Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Alison Business Centre, 40 Alison Crescent, Manor, Sheffield, S2 1AS.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2016 are the first accounts of Manor Development Company Limited prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition of FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Prior year adjustment

The prior year adjustment arose due to funding receivable from Sheffield City Council not being recorded in the accounts for the previous two years. The funding should have been offset against VAT liabilities due by the charitable company. The adjustment has increased reserves brought forward by £111,381 and reduced the VAT funding repayable to the Council by £111,381.

1.3 Going concern

The trustees consider the charity to be a going concern and the accounts have been prepared on this basis. Sheffield City Council have provided a cashflow facility for the completion of the Phase III development. This facility is repayable to Sheffield City Council and discussions are on-going in respect of additional grant funding and loan finance from alternative funders to replace this facility.

The trustees are confident that funding will be obtained to replace Sheffield City Council's facility and they do however recognise that it will be a challenge to ensure that the Phase III development is sustainable, bearing in mind the deprived nature of the area. However, all of the stakeholders in the development have continued to work together to give it the best possible chance for success.

As such, the trustees consider the charity is a going concern and have prepared the accounts accordingly.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.5 Incoming resources

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable except as follows:

- when donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- when donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, the income is included in incoming resources of restricted funds when receivable.
- incoming resources from managed workspace represents rents received and services provided to office units and workshop units net of VAT and trade discounts in the accounts of the group.
- in the accounts of the charitable company alone the income from expenses recharged represents costs borne on behalf of the subsidiary and recharged to the subsidiary.

1.6 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis and are recognised when there is a legal or constructive obligation to make a payment to a third party. All resources expended are classified under activity headings that aggregate all costs related to the category.

Charitable activities include activities undertaken to further the purposes of the charity.

Governance costs represent those costs of strategic management and of complying with statutory requirements.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold land is not depreciated		
Freehold property	-	1% straight line
Leasehold property	-	1% straight line
Fixtures, fittings & equipment	-	15% straight line
Motor vehicles	-	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Pensions

The group operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities
Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements
In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities.

3 Grants and donations

	2016 £	2015 £
Donations and gifts	-	968

4 Charitable activities

	2016 £	2015 £
Expenses recharged	156,555	162,183
Income from managed workspace	2,457	-
Community	-	2,889
Other income	-	1,500
	159,012	166,572

5 Charitable activities

	2016 £	2015 £
Staff costs	126,331	174,404
Depreciation and impairment	43,802	44,098
Community events	225	353
Angleton Rooms	1,100	935
Rates	1,872	1,398
Repairs and equipment	3,211	-
Telephone	-	2,481
Travel and subsistence	-	10
Marketing	245	-
Legal, professional and consultancy fees	6,464	7,823
Bank charges	824	7,745
Bad debts	-	(874)
Other administrative costs	-	25
General expenses	1,314	6,164
Share of governance costs (see note 6)	750	1,250
	186,138	245,812

6 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Independent examination fees	-	750	750	1,250	Governance
	-	750	750	1,250	
Analysed between charitable activities	-	750	750	1,250	

Governance costs includes payments to its independent examiner of £750 (2015: £1,250) for independent examination fees and £1,500 (2015: £3,000) for other services.

7 Trustees

Mr R S Foster received remuneration of £2,643 (2015: £nil) for providing cover for a manager who was on sick leave during the year.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company or any other related entity during the year, and no trustee expenses have been incurred (2015: £nil).

8 Employees

Number of employees

The average number of employees during the year was:

	2016 Number	2015 Number
Trustees/ directors	4	4
Management/ administration/ finance	8	8
	12	12

Employment costs

	2016 £	2015 £
Wages and salaries	118,782	161,403
Social security costs	5,782	10,452
Other pension costs	1,767	2,549
	126,331	174,404

There were no employees whose annual remuneration was £60,000 or more.

9 Tangible fixed assets

	Land & buildings £	Fixtures fittings & equipment £	Total £
Cost			
At 1 April 2015	3,934,506	76,188	4,010,694
Additions	-	1,619	1,619
At 31 March 2016	3,934,506	77,807	4,012,313
Depreciation and impairment			
At 1 April 2015	204,153	60,880	265,033
Depreciation charged in the year	39,365	4,437	43,802
At 31 March 2016	243,518	65,317	308,835
Carrying amount			
At 31 March 2016	3,690,988	12,490	3,703,478
At 31 March 2015	3,730,353	15,308	3,745,661

The three phases of the Alison Centre are the development included within land and buildings. It is located in an area of significant deprivation, an area where the market has failed and an area that needs to be economically regenerated. The Alison Centre is part of the plan for economic regeneration.

The buildings have been professionally valued at a total of £1.8m during the previous year. This is below the carrying value in the accounts of £3,690,988. The difference will be generated through the long term impacts of the development i.e. local job creation, as businesses move in and acting as a beacon for business development. It has changed the image of the area, making it more attractive for people to move in. Indeed this was the purpose of the public investment in the first place.

There is no formal lease in place between Sheffield City Council and Manor Development Company Limited in respect of two phases of the Alison Centre.

The matter is under negotiation and the trustees are under the opinion that a lease will be signed and therefore consider it appropriate to treat expenditure on the two phases as capital expenditure.

If a lease is not granted by Sheffield City Council then the capital expenditure on leasehold property may need to be written off.

10 Fixed asset investments

	Charity Investments in subsidiaries £
Market value	
Market value at 1 April 2015 and 31 March 2016	-

All fixed asset investments are held in the UK.

Holdings of more than 20%
The charity holds more than 20% of the voting rights of the following company:

Company	Rights held %
Manor Development Company (Alison Centre) Limited	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Subsidiary undertakings	Principal activities	Capital and reserves £	Profit/(Loss) for the year £
Manor Development Company (Alison Centre) Limited	Social enterprise	(37,420)	28,408

10 Fixed assets investments (continued)

The results of the charity's subsidiary are summarised as:

	Manor Development Company (Alison Centre) Limited £
Turnover	313,839
Administrative expenses	(297,077)
Other operating income	11,533
Operating (loss)	28,295
Interest receivable	141
Profit before taxation	28,436
Taxation	(28)
Profit after taxation	28,408
Fixed assets	838,735
Current assets	157,825
Aggregate assets	996,560
Liabilities due under one year	(179,197)
Liabilities due over one year	(854,783)
Aggregate liabilities	(1,033,980)
Profit and loss account	(37,420)

Tax losses available to carry forward against future trading profits:

31 March 2016	62,000
31 March 2015	91,000

11 Financial Instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	105,245	204,349
Carrying amount of financial liabilities		
Measured at amortised cost	928,249	1,043,203

12 Debtors

	2016 £	2015 £
Trade debtors	3,576	935
Amounts owed by group undertakings	64,538	111,800
Other debtors	19,056	89,948
	87,170	202,683

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	30,779	5,531
Taxation and social security	13,254	10,493
Other creditors	897,470	1,037,671
Accruals	3,582	5,550
	945,085	1,059,246

14 Pension and other post-retirement benefit commitments

Defined contribution

	2016 £	2015 £
Contributions payable by the group and charity for the year	1,767	2,549

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

15 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	992	1,614
Between two and five years	1,984	2,976
	2,976	4,590

16 Related party transactions

During the year the charitable company operated a loan account with its trading subsidiary company, Manor Development Company (Alison Centre) Limited. At 1 April 2015 the amount due to Manor Development Company Limited from its subsidiary was £111,800. During the year wages recharges of £124,055 and licence fees of £32,500 were charged by Manor Development Company Limited to its subsidiary. At 31 March 2016 the amount due to Manor Development Company Limited from its trading subsidiary was £64,538.

Remuneration of key management personnel
The remuneration of key management personnel, none of whom were trustees, is as follows.

	2016 £	2015 £
Aggregate compensation	34,453	43,062

Staff remuneration including all key management personnel was reviewed and agreed by Trustees.

The following factors were taken into consideration:

- market rates
- inflation
- affordability

17 Contingent liabilities

The Phase I development which is included in land and buildings of the charitable company at a cost of £720,575 was fully funded by Capital Grants received. Similarly the Phase III development which is included in land and buildings of the charitable company at a cost of £3,213,930 was also fully funded by Capital Grants received.

The grants become repayable in the event that services provided fail to comply with the terms of the Capital Grant funding agreements. The trustees consider that the risk of repayment is remote.

18 Subsidiaries

These financial statements are separate company financial statements for Manor Development Company Limited. The financial statements present information about the charitable company as an individual undertaking and not as a group.

The charitable company has control of 100% of the assets and trade of Manor Development Company (Alison Centre) Limited (company number 03581273), a company limited by guarantee. Manor Development Company Limited are able to appoint and remove directors in this company. Its incoming resources for the year were £325,513 (2015: £243,369) and its total resources expended were £297,105 (2015: £292,162), leaving a profit for the year of £28,408 (2015: loss for the year of £48,793). At 31 March 2016 the capital and reserves of Manor Development Company (Alison Centre) Limited were £(37,420) (2015: £(65,828)). The charitable company does not have a statutory obligation to prepare group accounts and so consolidated accounts have not been prepared.

19 Cash generated from operations

	2016 £	2015 £
(Deficit)/Surplus for the year	(27,126)	(78,272)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	43,802	44,098
Movements in working capital:		
Decrease/(increase) in debtors	115,513	378,979
(Decrease)/increase in creditors	(114,161)	(369,783)
Cash (absorbed by)/generated from operations	18,028	(24,978)